



NEWS RELEASE



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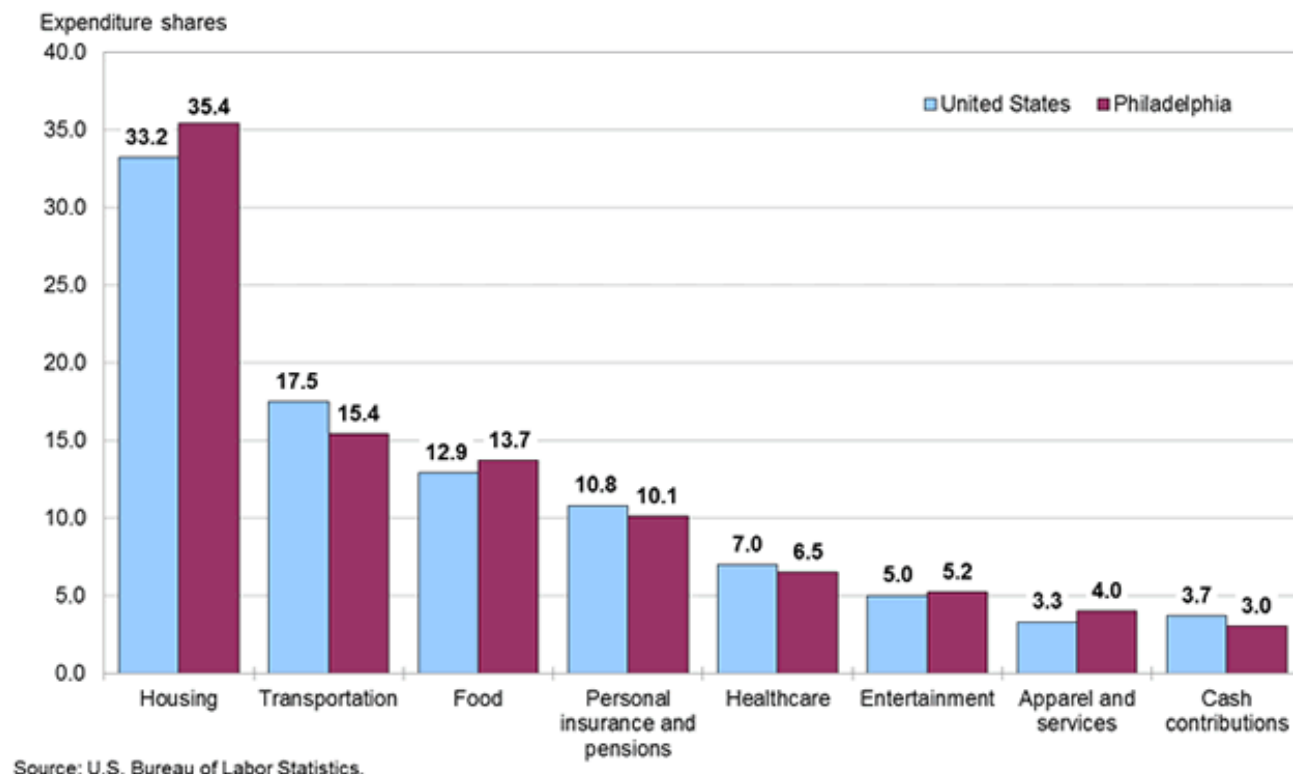
Technical information: (215) 597-3282 • BLSInfoPhiladelphia@bls.gov • www.bls.gov/regions/mid-atlantic/

Media contact: (215) 861-5600 • BLSMediaPhiladelphia@bls.gov

Consumer Expenditures for the Philadelphia Area: 2012-2013

Consumer units in the Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., metropolitan area spent an average of \$55,766 per year in 2012-2013, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that this figure was over 8 percent greater than the \$51,299 average expenditure level for a typical household in the United States. Not only did households in the Philadelphia area spend significantly more than the U.S. average, they allocated their dollars differently among the major categories, varying significantly in 6 of the 8. For example, the share of expenditures for personal insurance and pensions, which accounted for 10.1 percent of a typical household's budget in the Philadelphia area, was significantly less than the nationwide average of 10.8 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Percent distribution of average annual expenditures for the eight major categories in the United States and Philadelphia metropolitan area, 2012-2013



Housing in the Philadelphia area averaged \$19,740 annually and was the largest expenditure category, accounting for 35.4 percent of a Philadelphia area household's total budget. (See [table 1](#) and [table 2](#).) This share was significantly above the 33.2-percent national average. Overall, 8 of the 18 published metropolitan areas had expenditure shares for housing significantly above the U.S. average, while only Detroit had a significantly lower-than-average share. (See [chart 2](#).) Housing expenditures among the 18 areas ranged from 39.9 percent in Miami to 30.0 percent in Detroit. (See [table 3](#).)

The majority of housing expenditures in Philadelphia went toward shelter, 58.1 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 58.6 percent of the housing budget was allocated for shelter. (See [table A](#).) Utilities, fuels, and public services expenses accounted for 22.2 percent of the housing budget locally; nationally, they made up 21.7 percent. The rate of homeownership in Philadelphia was 66 percent, compared to the U.S. average of 64 percent.

Table A. Percent distribution of housing expenditures, United States and Philadelphia, 2012-2013

Category	United States	Philadelphia
Housing	100.0	100.0
Shelter	58.6	58.1
Utilities, fuels and public services	21.7	22.2
Household operations	6.8	6.2
Housekeeping supplies	3.7	4.3
Household furnishings and equipment	9.2	9.2

Note: Columns may not add to 100.0 due to rounding.

At 15.4 percent of the total budget, transportation was the second-largest expenditure category in the Philadelphia area and was significantly below the national average of 17.5 percent. Among the 18 published metropolitan areas nationwide, 6 (including Philadelphia) had below-average transportation shares; Detroit and Houston had transportation shares significantly higher than the U.S. share. (See [chart 3.](#))

Of the \$8,595 in annual expenditures for transportation in Philadelphia, 92.6 percent was spent buying and maintaining private vehicles; this compared to the national average of 94.0 percent. The remaining 7.4 percent of a Philadelphia household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes; this allocation was higher than the 6.0-percent average for the nation. (See [table B.](#)) The average number of vehicles per household in Philadelphia (1.5) was lower than the national average (1.9).

Table B. Percent distribution of transportation expenditures, United States and Philadelphia metropolitan area, 2012-2013

Category	United States	Philadelphia
Transportation	100.0	100.0
Vehicle purchases (net outlay).....	36.0	33.9
Gasoline and motor oil.....	29.8	26.6
Other vehicle expenses	28.2	32.2
Public transportation	6.0	7.4

Note: Columns may not add to 100.0 due to rounding.

The portion of a Philadelphia consumer unit's budget spent on food, 13.7 percent, was similar to the 12.9-percent U.S. average. Among the 18 published metropolitan areas, 6 had food expenditure shares that were significantly below the nationwide average; no area reported an expenditure share for food significantly above that for the nation. (See [table 3.](#))

Households in Philadelphia spent \$4,467, or 58.3 percent, of their food dollars on food prepared at home and the remaining 41.7 percent (\$3,195) on food prepared away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 59.8 percent of its food budget on food prepared at home and 40.2 percent on food prepared away from home.

As noted, Philadelphia is 1 of 18 metropolitan areas nationwide for which Consumer Expenditure Survey (CE) data are available. Metropolitan area CE data and that for the four geographic regions of the United States are available on our Web site at <http://www.bls.gov/cex/tables.htm>. Metropolitan area CE news releases are available at <http://www.bls.gov/regions/subjects/consumer-spending.htm>.

Additional information

Data contained in this release are from the CE Survey, which is conducted on an ongoing basis by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS). The CE data in this release were averaged over a two-year period, 2012 and 2013. CE data are available for the nation, the 4 geographic regions of the country, and 18 metropolitan areas. The metropolitan area discussed in this release is Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., which includes Bucks, Chester, Delaware, Montgomery and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland,

Gloucester and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

The survey consists of two components, a diary or recordkeeping survey, and an interview survey. The integrated data from the BLS Diary and Interview Surveys provide a complete accounting of consumer expenditures and income, which neither survey component alone is designed to do. Due to changes in the survey sample frame, metropolitan area data in this release are not directly comparable to those prior to 1996.

A consumer unit is defined as members of a household related by blood, marriage, adoption, or other legal arrangement; a single person living alone or sharing a household with others but who is financially independent; or two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses – food, housing, and other expenses. The terms household or consumer unit are used interchangeably for convenience.

CE metropolitan area estimates are not comparative cost of living surveys, as neither the quantity nor the quality of goods and services has been held constant among areas. Differences may result from variations in demographic characteristics such as consumer unit size, age, preferences, income levels, etc. However, expenditure shares, or the percentage of a consumer unit's budget spent on a particular category, can be used to compare spending patterns across areas. Sample sizes for the metropolitan areas are much smaller than for the nation, so the U.S. estimates and year-to-year changes are more reliable than those for the metropolitan areas. Users should also keep in mind that prices for many goods and services have changed since the survey was conducted.

Expenditure shares for housing and transportation that are above or below that for the nation after testing for significance at the 95-percent confidence interval are also identified in charts 2 and 3 for the 18 metropolitan areas surveyed.

A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with our ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested

For additional technical documentation and related information, see www.bls.gov/opub/hom/homch16.htm

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

Table 1. Percent distribution of average annual expenditures, United States and Philadelphia, Consumer Expenditure Survey, 2012-2013

Item	United States	Philadelphia
Average annual expenditures.....	\$51,299	\$55,766 *
Percent distribution:.....	100.0	100.0
Food.....	12.9	13.7
Alcoholic beverages.....	0.9	1.2 *
Housing.....	33.2	35.4 *
Apparel and services	3.3	4.0 *
Transportation.....	17.5	15.4 *
Healthcare	7.0	6.5 *
Entertainment	5.0	5.2
Personal care products and services.....	1.2	1.3
Reading	0.2	0.2
Education.....	2.3	2.4
Tobacco products and smoking supplies	0.6	0.6
Miscellaneous.....	1.4	1.1 *
Cash contributions	3.7	3.0 *
Personal insurance and pensions.....	10.8	10.1 *

* Statistically significant difference from the U.S. average at the 95-percent confidence level.

Table 2. Consumer unit characteristics and average annual expenditures, United States and Philadelphia, Consumer Expenditure Survey, 2012-2013

Category	United States	Philadelphia
Consumer unit characteristics:		
Income before taxes	\$64,686	\$69,975
Age of reference person	50.1	51.6
Average number in consumer unit:.....		
People.....	2.5	2.4
Children under 18	0.6	0.6
Adults 65 and older.....	0.3	0.3
Earners	1.3	1.2
Vehicles	1.9	1.5
Percent homeowner	64	66
Average annual expenditures.....	\$51,299	\$55,766
Food.....	6,600	7,662
Food at home	3,949	4,467
Cereals and bakery products	541	656
Meats, poultry, fish, and eggs.....	854	1,045
Dairy products	416	489
Fruits and vegetables	741	844
Other food at home	1,397	1,433
Food away from home	2,651	3,195
Alcoholic beverages.....	448	644
Housing.....	17,030	19,740
Shelter.....	9,986	11,468
Owned dwellings	6,082	7,414
Rented dwellings	3,255	3,302
Other lodging	649	751
Utilities, fuels, and public services	3,693	4,388
Household operations	1,152	1,227
Housekeeping supplies.....	627	840
Household furnishings and equipment.....	1,571	1,819
Apparel and services	1,677	2,207
Transportation.....	9,001	8,595
Vehicle purchases (net outlay).....	3,241	2,914
Gasoline and motor oil	2,683	2,282
Other vehicle expenses	2,537	2,766
Public transportation	540	633
Healthcare	3,594	3,597
Entertainment	2,553	2,874
Personal care products and services.....	618	699
Reading	106	123
Education.....	1,172	1,357

Note: See footnotes at end of table.

Table 2. Consumer unit characteristics and average annual expenditures, United States and Philadelphia, Consumer Expenditure Survey, 2012-2013 - Continued

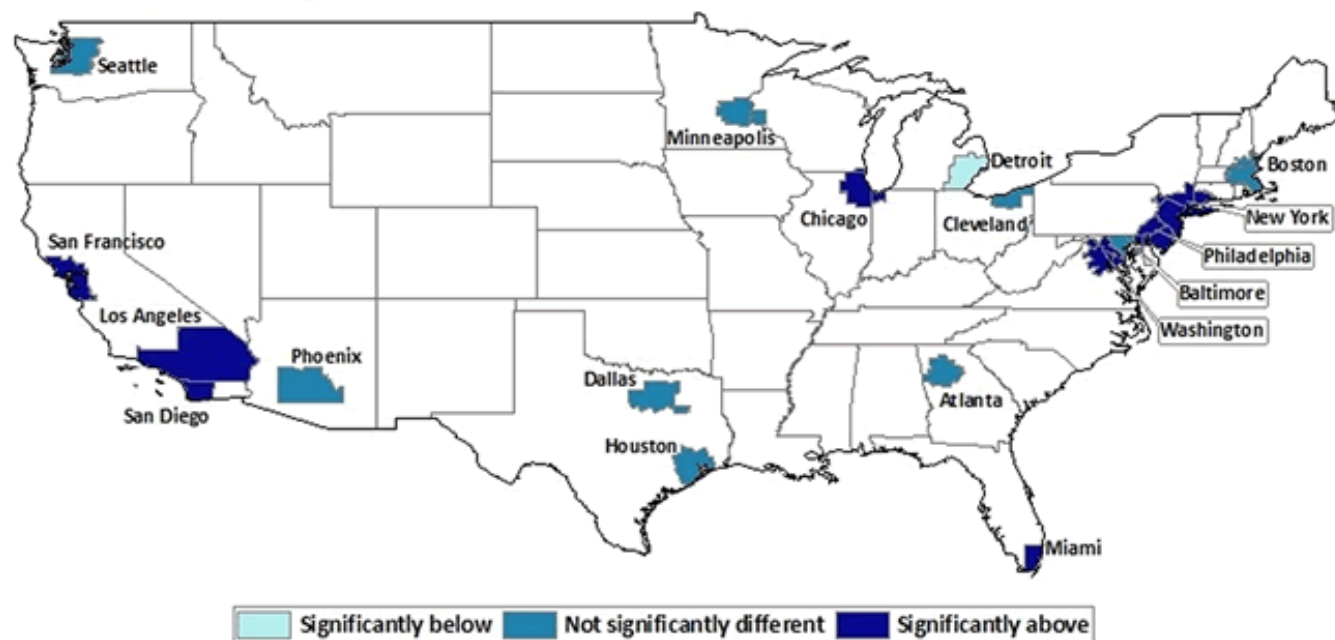
Category	United States	Philadelphia
Tobacco products and smoking supplies	331	329
Miscellaneous	736	624
Cash contributions	1,873	1,654
Personal insurance and pensions.....	5,559	5,659
Life and other personal insurance.....	336	247
Pensions and Social Security	5,224	5,412

Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2012-2013

Area	Housing	Transportation	Food
United States	33.2	17.5	12.9
Atlanta	33.4	17.1	12.6
Baltimore	32.5	15.5	11.0 *
Boston	32.6	15.6 *	13.3
Chicago	35.4 *	15.6 *	12.7
Cleveland	31.6	18.2	12.8
Dallas	33.5	17.9	12.6
Detroit	30.0 *	19.7 *	13.5
Houston	33.1	21.0 *	12.0
Los Angeles	38.2 *	15.4 *	13.4
Miami	39.9 *	16.2	14.0
Minneapolis	32.0	18.3	11.3 *
New York	39.8 *	13.5 *	11.9 *
Philadelphia	35.4 *	15.4 *	13.7
Phoenix	34.8	18.9	13.6
San Diego	38.2 *	15.8	11.5 *
San Francisco	35.8 *	13.7 *	11.9 *
Seattle	33.4	15.6	13.0
Washington	35.3 *	16.7	10.9 *

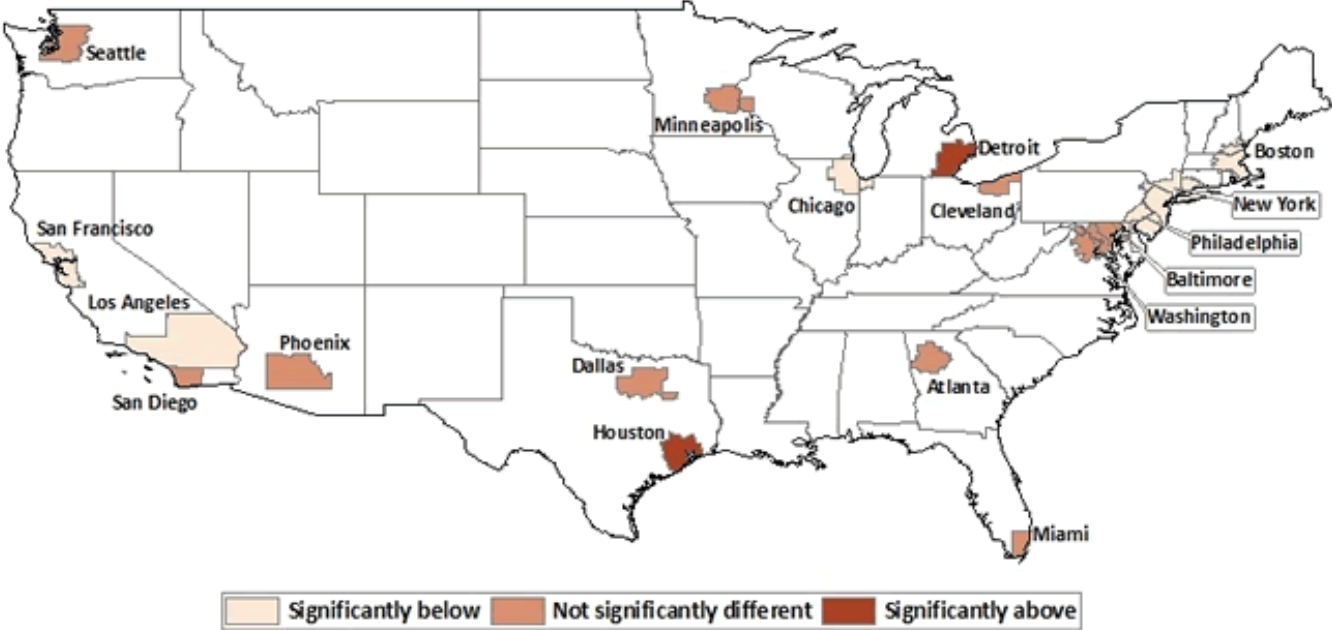
* Statistically significant difference from the U.S. average at the 95-percent confidence level.

Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas as compared to the U.S. average, Consumer Expenditure Survey, 2012-2013



Note: Statistical significance testing at the 95-percent confidence interval.
Source: U.S. Bureau of Labor Statistics.

Chart 3. Expenditure shares spent on transportation in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2012-2013



Note: Statistical significance testing at the 95-percent confidence interval.
Source: U.S. Bureau of Labor Statistics.